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Securities Code 4151
March 2, 2016

Dear Shareholders,

Nobuo Hanai
Executive Director of the Board,
President and Chief Executive Officer
Kyowa Hakko Kirin Co., Ltd.
1-6-1 Ohtemachi, Chiyoda-ku, Tokyo

Notice of Convocation of the 93rd Ordinary General Meeting of Shareholders

Please be advised that the 93rd Ordinary General Meeting of Shareholders (the “**Meeting**”) of Kyowa Hakko Kirin Co., Ltd. (the “**Company**”) will be held as set forth below. You are cordially requested to attend the Meeting.

If you are unable to attend the Meeting in person, you may exercise your voting rights in either of the following methods. Please review the attached “Reference Documents for the General Meeting of Shareholders” and exercise your voting rights.

Exercising voting rights by postal mail

Please indicate your approval or disapproval of each of the proposals on the enclosed Voting Form and return it to reach us by 5:40 p.m. on Wednesday, March 23, 2016 (JST).

Exercising voting rights via the Internet, etc.

Please indicate your approval or disapproval of each of the proposals via the Internet, etc., by 5:40 p.m. on Wednesday, March 23, 2016 (JST).

Details of the Meeting

1. Date and Time:

March 24, 2016 (Thursday), at 10:00 a.m. (JST)

2. Venue:

“Aoi,” 2F, PALACE HOTEL TOKYO
1-1-1 Marunouchi, Chiyoda-ku, Tokyo

3. Agenda:

Matters to be reported:

1. Business Report, Consolidated Financial Statements, as well as the audit reports of the Accounting Auditor and the Board of Company Auditors on the Consolidated Financial Statements, for the 93rd fiscal year (from January 1, 2015 to December 31, 2015)
2. Non-consolidated Financial Statements for the 93rd fiscal year (from January 1, 2015 to December 31, 2015)

Matters to be resolved:

- | | |
|-----------------|---|
| Proposal No. 1: | Appropriation of surplus |
| Proposal No. 2: | Partial amendments to the Articles of Incorporation |
| Proposal No. 3: | Election of eight (8) Directors of the Board |
| Proposal No. 4: | Election of one (1) Company Auditor |
| Proposal No. 5: | Authorization for the Board of Directors to determine offering terms (<i>boshu jiko</i>) of stock acquisition rights (<i>shinkabu yoyakuken</i>) as stock compensation-type stock options |

4. Other Decisions on the Convocation of the Meeting:

In the case that voting rights are exercised in duplicate, via both postal mail and the Internet, etc., the vote via the Internet, etc. shall be deemed valid.

In the case that multiple votes are received via the Internet, etc., the last vote shall be deemed valid.

End

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- If attending the Meeting in person, please present the enclosed Voting Form at the reception of the meeting venue. In addition, please bring this “Notice of Convocation” with you to conserve paper. We would appreciate it if you could arrive ahead of time to avoid congestion at the reception.
 - Of the documents to be provided to shareholders with this convocation notice, matters to be stated or presented in the notes to the Consolidated Financial Statements and the notes to the Non-consolidated Financial Statements are deemed to have been provided to shareholders in writing by means of posting on the website of the Company, pursuant to the provisions of relevant laws and regulations and the Company’s Articles of Incorporation. The Consolidated Financial Statements and the Non-consolidated Financial Statements that were audited by the Company Auditors and the Accounting Auditor consist of the documents stated in the documents attached to the Notice of Convocation of the Ordinary General Meeting of Shareholders, as well as the notes to the Consolidated Financial Statements and the notes to the Non-consolidated Financial Statements posted on the Company’s website.
 - If any changes are required in the Reference Documents for the General Meeting of Shareholders, Business Report, Non-consolidated Financial Statements and Consolidated Financial Statements, the changes will be posted on the Company’s website.

Please kindly accept abolition of presents this year to the shareholders who attended the General Meeting of Shareholders. We greatly appreciate your understanding.
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The Company’s website: <http://www.kyowa-kirin.co.jp/ir/>

Reference Documents for the General Meeting of Shareholders

Proposals and References:

Proposal No. 1: Appropriation of surplus

The basis of the Company's policy regarding the distribution of profits is to pay dividends stably in light of a comprehensive consideration of factors including consolidated results and dividend payout ratio for each fiscal year, while also increasing its retained earnings for future business development and other purposes.

Based on this policy, the Company intends to pay a year-end dividend of ¥12.50 per share for the 93rd fiscal year, as described below. Combined with the interim dividend of ¥12.50 per share, this will result in an annual dividend of ¥25 per share.

The Company also intends to allocate ¥27.0 billion to general reserve.

1. Year-end dividend

- (1) Type of dividend property: Cash
- (2) Allocation of dividend property and total amount thereof:
¥12.50 per share of the Company's common stock
Total amount: ¥6,840,335,075
- (3) Effective date of dividends of surplus:
March 25, 2016

2. Other matters concerning appropriation of surplus

- (1) Item and amount of surplus to increase:
General reserve: ¥27,000,000,000
- (2) Item and amount of surplus to decrease:
Retained earnings carried forward: ¥27,000,000,000

Proposal No. 2: Partial amendments to the Articles of Incorporation

1. Reasons for amendments

Given the enforcement of the “Act for Partial Amendment of the Companies Act” (Act No. 90 of 2014), the scope of corporate officers with whom a company may enter into liability limitation agreements has been changed. Accordingly, the Company proposes to partially amend provisions of Article 30 (Exemption from liability of Outside Directors of the Board) and Article 38 (Exemption from liability of Outside Company Auditors) of the Articles of Incorporation so that non-executive Directors of the Board and Company Auditors who are not Outside Company Auditors, with whom such legal amendment enables a company to enter into liability limitation agreements, can fully perform the roles expected of them. Each Company Auditor has given consent for the proposed amendment to Article 30 of the Articles of Incorporation.

2. Details of amendments

The details of the proposed amendments are as follows.

(Underlined parts are amended.)

Current Articles of Incorporation	Proposed Amendments
<p>Article 30. (Exemption from liability of <u>Outside Directors of the Board</u>) Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company may enter into agreements with <u>Outside Directors of the Board</u> to limit their liability for damages arising from their failure to perform their duties; provided, however, that the maximum amount of liability for damages under such agreements shall be the higher of either (i) the predetermined amount of not less than five million (5,000,000) yen, or (ii) the amount provided for in laws and regulations.</p>	<p>Article 30. (Exemption from liability of <u>Directors of the Board</u>) Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company may enter into agreements with <u>Directors of the Board (excluding executive directors, etc.)</u> to limit their liability for damages arising from their failure to perform their duties; provided, however, that the maximum amount of liability for damages under such agreements shall be the higher of either (i) the predetermined amount of not less than five million (5,000,000) yen, or (ii) the amount provided for in laws and regulations.</p>
<p>Article 38. (Exemption from liability of <u>Outside Company Auditors</u>) Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company may enter into agreements with <u>Outside Company Auditors</u> to limit their liability for damages arising from their failure to perform their duties; provided, however, that the maximum amount of liability for damages under such agreements shall be the higher of either (i) the predetermined amount of not less than five million (5,000,000) yen, or (ii) the amount provided for in laws and regulations.</p>	<p>Article 38. (Exemption from liability of <u>Company Auditors</u>) Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company may enter into agreements with <u>Company Auditors</u> to limit their liability for damages arising from their failure to perform their duties; provided, however, that the maximum amount of liability for damages under such agreements shall be the higher of either (i) the predetermined amount of not less than five million (5,000,000) yen, or (ii) the amount provided for in laws and regulations.</p>

Proposal No. 3: Election of eight (8) Directors of the Board

As of the conclusion of the Meeting, the terms of office of all eight (8) Directors of the Board will expire. Accordingly, based on the report from the Nomination Consultative Committee, shareholders are requested to elect eight (8) Directors of the Board.

The candidates for the positions of Directors of the Board are as follows:

No.	Name (Date of birth)	Career summary and position and areas of responsibility in the Company, and significant positions concurrently held at other organizations	Number of shares of the Company held by the candidate
1.	<p>Reelection</p> <p>Nobuo Hanai (Apr. 30, 1953)</p>	<p>Apr. 1976: Joined Kyowa Hakko Kogyo Co., Ltd. Feb. 2003: President and Chief Executive Officer, BioWa, Inc. Jun. 2006: Executive Officer, Kyowa Hakko Kogyo Co., Ltd. Oct. 2008: Executive Officer, Head, Development Division, Kyowa Hakko Kirin Co., Ltd. Apr. 2009: Managing Executive Officer, Head, Development Division, Kyowa Hakko Kirin Co., Ltd. Jun. 2009: Director of the Board, Managing Executive Officer, Kyowa Hakko Kirin Co., Ltd. Mar. 2010: Director of the Board, Senior Managing Executive Officer, Kyowa Hakko Kirin Co., Ltd. Mar. 2012: Executive Director of the Board, President and Chief Executive Officer, Kyowa Hakko Kirin Co., Ltd. (to present)</p> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>Reasons for appointing him as a candidate for Director of the Board:</p> <p>Mr. Nobuo Hanai was selected as a candidate for Director of the Board because the Company has judged that he is the right person to promote the Group's five-year Medium-term Business Plan from 2016 aiming for leaping forward to become a global specialty pharmaceutical company, by focusing on operating and presiding the Board of Directors and invigorating thereof as Executive Director of the Board, President and Chief Executive Officer, with his strong leadership based on his extensive experience and achievements as a management executive.</p> </div>	17,000 shares

No.	Name (Date of birth)	Career summary and position and areas of responsibility in the Company, and significant positions concurrently held at other organizations	Number of shares of the Company held by the candidate
2.	<p><u>Reelection</u></p> <p>Hiroyuki Kawai (Jan. 17, 1954)</p>	<p>Apr. 1979: Joined Kirin Brewery Company, Limited</p> <p>Mar. 2004: General Manager, Development Division of Pharmaceutical Division, Kirin Brewery Company, Limited</p> <p>Jul. 2007: Director, Executive Officer, Head, Development Division, Kirin Pharma Company, Limited</p> <p>Mar. 2008: Representative Director, Executive Vice President, Executive Officer, Head, Production Division, Kirin Pharma Company, Limited</p> <p>Oct. 2008: Managing Executive Officer, Head, Production Division, Kyowa Hakko Kirin Co., Ltd.</p> <p>Mar. 2010: Director of the Board, Managing Executive Officer, Kyowa Hakko Kirin Co., Ltd.</p> <p>Mar. 2013: Director of the Board, Senior Managing Executive Officer, Kyowa Hakko Kirin Co., Ltd.</p> <p>Mar. 2014: Executive Director of the Board, Executive Vice President, Kyowa Hakko Kirin Co., Ltd. (to present)</p> <p><u>Position and areas of responsibility:</u> Overall Management Assistant, Internal Audit Department, Procurement Department, Corporate Quality Management Department, CSR Management Department</p> <p><u>Reasons for appointing him as a candidate for Director of the Board:</u> Mr. Hiroyuki Kawai was selected as a candidate for Director of the Board because the Company has judged that he is the right person to perform the role of supervising the decision making on material matters of management and execution of operation as Director of the Board, using his extensive experience and high level of insight regarding overall business management, and to further promote enhancing compliance and corporate governance.</p>	14,000 shares

No.	Name (Date of birth)	Career summary and position and areas of responsibility in the Company, and significant positions concurrently held at other organizations	Number of shares of the Company held by the candidate
3.	<p><u>Reelection</u></p> <p>Kazuyoshi Tachibana (Jan. 21, 1956)</p>	<p>Apr. 1978: Joined Kyowa Hakko Kogyo Co., Ltd.</p> <p>Apr. 2005: General Manager, Pharmaceutical Strategic Planning Division and Pharmaceutical Manufacturing Strategy Department, Kyowa Hakko Kogyo Co., Ltd.</p> <p>Jun. 2005: Executive Officer, General Manager, Pharmaceutical Strategic Planning Division and Pharmaceutical Manufacturing Strategy Department, Kyowa Hakko Kogyo Co., Ltd.</p> <p>Oct. 2008: Executive Officer, Kyowa Hakko Kirin Co., Ltd.</p> <p>Apr. 2009: Managing Executive Officer, Kyowa Hakko Kirin Co., Ltd.</p> <p>Jun. 2009: Director of the Board, Managing Executive Officer, Kyowa Hakko Kirin Co., Ltd. (to present)</p> <p><u>Position and areas of responsibility:</u> Finance & Accounting Department, Information Systems Department</p> <p><u>Reasons for appointing him as a candidate for Director of the Board:</u> Mr. Kazuyoshi Tachibana was selected as a candidate for Director of the Board because the Company has judged that he is the right person to perform the role of supervising the decision making on material matters of management and execution of operation as Director of the Board, using his extensive experience and high level of insight regarding overall business management, and to facilitate swift responses to changes in the economic and business environment and promote the efficiency of management at global level from a financial perspective.</p>	27,140 shares

No.	Name (Date of birth)	Career summary and position and areas of responsibility in the Company, and significant positions concurrently held at other organizations	Number of shares of the Company held by the candidate
4.	<p><u>Reelection</u></p> <p>Toshifumi Mikayama (Jul. 18, 1957)</p>	<p>Apr. 1983: Joined Kirin Brewery Company, Limited</p> <p>Mar. 2004: General Manager, Planning Division of Pharmaceutical Division, Kirin Brewery Company, Limited</p> <p>Jul. 2007: Director, Executive Officer, Head, Research Division, Kirin Pharma Company, Limited</p> <p>Oct. 2008: Executive Officer, Head, Research Division, Kyowa Hakko Kirin Co., Ltd.</p> <p>Apr. 2010: Executive Officer, General Manager, Corporate Strategy & Planning Department, Kyowa Hakko Kirin Co., Ltd.</p> <p>Mar. 2012: Managing Executive Officer, General Manager, Overseas Business Department, Kyowa Hakko Kirin Co., Ltd.</p> <p>Mar. 2014: Director of the Board, Managing Executive Officer, Kyowa Hakko Kirin Co., Ltd. (to present)</p> <p><u>Position and areas of responsibility:</u> General Manager, Overseas Business Department</p> <p><u>Reasons for appointing him as a candidate for Director of the Board:</u> Mr. Toshifumi Mikayama was selected as a candidate for Director of the Board because the Company has judged that he is the right person to perform the role of supervising the decision making on material matters of management and execution of operation as Director of the Board, using his extensive experience and high level of insight regarding overall business management, and to promote overseas business, driving the Company forward to a global specialty pharmaceutical company.</p>	29,000 shares

No.	Name (Date of birth)	Career summary and position and areas of responsibility in the Company, and significant positions concurrently held at other organizations	Number of shares of the Company held by the candidate
5.	<p><u>Reelection</u></p> <p>Yoichi Sato (Aug. 18, 1954)</p>	<p>Apr. 1984: Joined Kirin Brewery Company, Limited</p> <p>Jan. 2000: Director, Regulatory Affairs and Audit, Kirin Brewery Company, Limited</p> <p>Nov. 2001: Director, Regulatory Affairs, Kirin Brewery Company, Limited</p> <p>Sep. 2004: Director, Supervising Regulatory Affairs of Pharmaceutical Division, Kirin Brewery Company, Limited</p> <p>Jul. 2007: Managing Officer, Vice Head and Director of Regulatory Affairs, Kirin Pharma Company, Limited</p> <p>Apr. 2008: Managing Officer, Head, Development Division, Kirin Pharma Company, Limited</p> <p>Oct. 2008: Director, Regulatory Affairs Department, Kyowa Hakko Kirin Co., Ltd.</p> <p>Apr. 2009: Executive Officer, Vice President Head Pharmacovigilance and Quality Assurance Division, Kyowa Hakko Kirin Co., Ltd.</p> <p>Mar. 2012: Managing Executive Officer, Vice President, Head, Development Division, Kyowa Hakko Kirin Co., Ltd.</p> <p>Apr. 2014: Managing Executive Officer, Vice President, Head, R&D Division and Development Functions Unit, Kyowa Hakko Kirin Co., Ltd.</p> <p>Mar. 2015: Director of the Board, Managing Executive Officer, Kyowa Hakko Kirin Co., Ltd. (to present)</p> <p><u>Position and areas of responsibility:</u> Vice President, Head, R&D Division and Development Functions Unit and Head, Clinical Development Center</p> <p><u>Reasons for appointing him as a candidate for Director of the Board:</u> Mr. Yoichi Sato was selected as a candidate for Director of the Board because the Company has judged that he is the right person to perform the role of supervising the decision making on material matters of management and execution of operation as Director of the Board, using his extensive experience and high level of insight regarding overall business management, and to promote research and development accurately addressing unmet medical needs, which is the engine of growth for the Company.</p>	29,000 shares

No.	Name (Date of birth)	Career summary and position and areas of responsibility in the Company, and significant positions concurrently held at other organizations	Number of shares of the Company held by the candidate
6.	<p><u>Reelection</u></p> <p>Akihiro Ito (Dec. 19, 1960)</p>	<p>Apr. 1983: Joined Kirin Brewery Company, Limited</p> <p>Jul. 2007: Director of Planning Department, Kirin Pharma Company, Limited</p> <p>Oct. 2008: General Manager, Group Planning Department, Kyowa Hakko Kirin Co., Ltd.</p> <p>Apr. 2009: General Manager, Strategy Planning Department, Kyowa Hakko Kirin Co., Ltd.</p> <p>Mar. 2010: General Manager, Finance & Accounting Department, Kirin Business Expert Company, Limited</p> <p>Jan. 2011: General Manager, Finance & Accounting Department, Kirin Group Office Company, Limited</p> <p>Jan. 2013: Executive Officer, Director of Group Finance, Kirin Holdings Company, Limited</p> <p>Mar. 2014: Director of the Board, Responsible for Group Financial Strategy, Group PR & IR Strategy, Kirin Holdings Company, Limited</p> <p>Mar. 2015: Director of the Board, Kyowa Hakko Kirin Co., Ltd. (to present) Director of the Board, Senior Executive Officer, Responsible for Financial Strategy, IR, Information Strategy, Kirin Holdings Company, Limited (to present)</p> <p><u>Reasons for appointing him as a candidate for Director of the Board:</u></p> <p>Mr. Akihiro Ito was selected as a candidate for Director of the Board because the Company has judged that his extensive knowledge of finance and accounting and deep specialized knowledge pertaining to Group management can continue to be leveraged into the management of the Company. He concurrently serves as Director of the Board of Kirin Holdings Company, Limited, responsible for Financial Strategy, IR, and Information Strategy. As such, the Company expects that he will promote the creation of close cooperative ties with Kirin Group companies.</p>	0 shares

No.	Name (Date of birth)	Career summary and position and areas of responsibility in the Company, and significant positions concurrently held at other organizations	Number of shares of the Company held by the candidate
7.	<div data-bbox="245 344 384 376" style="border: 1px solid black; padding: 2px;">Reelection</div> <p data-bbox="245 416 432 517">Koichiro Nishikawa (Jul. 12, 1947)</p> <div data-bbox="245 551 453 624" style="border: 1px solid black; padding: 2px;">Candidate for Outside Director of the Board</div> <div data-bbox="245 658 453 732" style="border: 1px solid black; padding: 2px;">Candidate for Independent Director/Auditor</div>	<p data-bbox="475 338 1214 1227"> Apr. 1970: Joined Hitachi, Ltd. Aug. 1995: Vice President, Hitachi America, Ltd. Apr. 1999: General Manager, Business Development Office, Hitachi, Ltd. Apr. 2001: General Manager, Global Business Development Division, Hitachi, Ltd. Apr. 2003: Managing Officer, Business Development, Hitachi, Ltd. Jun. 2003: Executive Officer, Business Development, Hitachi, Ltd. Jan. 2006: Vice President and Executive Officer, Hitachi, Ltd. Apr. 2007: Senior Vice President and Executive Officer, Hitachi, Ltd. Apr. 2010: Senior Vice President and Executive Officer, Hitachi Cable, Ltd. Apr. 2012: Senior Advisor, Hitachi Research Institute Jun. 2013: International Affairs Committee member, Japan Association of Athletics Federations Oct. 2013: President, Japan Industrial Track & Field Association (to present) Mar. 2014: Director of the Board, Kyowa Hakko Kirin Co., Ltd. (to present) May 2015: Audit & Supervisory Board Member, J. FRONT RETAILING Co., Ltd. (to present) </p> <div data-bbox="475 1267 1230 1341" style="border: 1px solid black; padding: 2px;"> Reasons for appointing him as a candidate for Outside Director of the Board: </div> <p data-bbox="475 1346 1219 1722"> Mr. Koichiro Nishikawa was selected as a candidate for Director of the Board because the Company has judged he will contribute toward reinforcing the Company's governance function by supervising the execution of operations from an independent standpoint and reflecting in the Company's management a perspective of protecting the rights of the general shareholders. The Company expects that he will continuously utilize his extensive international experience and knowledge in such areas as business alliances and management reform, gained over many years, in the management of the Company. </p>	1,000 shares

No.	Name (Date of birth)	Career summary and position and areas of responsibility in the Company, and significant positions concurrently held at other organizations	Number of shares of the Company held by the candidate
8.	<div data-bbox="245 338 384 376" style="border: 1px solid black; padding: 2px;">Reelection</div> <p data-bbox="245 416 424 517">Yoshiko Leibowitz (Sep. 2, 1945)</p> <div data-bbox="245 551 453 629" style="border: 1px solid black; padding: 2px;">Candidate for Outside Director of the Board</div> <div data-bbox="245 663 453 741" style="border: 1px solid black; padding: 2px;">Candidate for Independent Director/Auditor</div>	<p data-bbox="475 338 1222 439">Apr. 1968: RN, St. Luke's International Hospital, Tokyo Sep. 1977: Instructor, Intercollegiate College of Nursing, Washington State University</p> <p data-bbox="475 450 1150 551">May 1981: Nursing Supervisor, Thomas Jefferson University Hospital Ford Road Campus (FRC)</p> <p data-bbox="475 562 1177 663">Jul. 1984: Assistant Director, Nursing Service Department, Thomas Jefferson University Hospital, FRC</p> <p data-bbox="475 674 1166 730">Apr. 1995: Founder and Director, Continuous Home Care Inc. (Philadelphia, Pennsylvania)</p> <p data-bbox="475 741 1214 797">Apr. 1998: Adult Nursing Chief Professor, Oita Medical University</p> <p data-bbox="475 808 1190 864">Apr. 2002: Professor, Department of Nursing, Aomori University of Health and Welfare (AUHW)</p> <p data-bbox="475 875 1046 931">Apr. 2003: Professor & Chair, Intercultural Communication, AUHW</p> <p data-bbox="475 943 1190 999">Apr. 2006: Professor & Department Head of Nursing , AUHW</p> <p data-bbox="475 1010 879 1043">Apr. 2007: President, AUHW</p> <p data-bbox="475 1055 1214 1133">Apr. 2008: Chair of the Board of Trustees and President, Public University Corporation, AUHW</p> <p data-bbox="475 1144 1150 1178">Jun. 2014: Professor Emeritus, AUHW (to present)</p> <p data-bbox="475 1189 1190 1245">Mar. 2015: Director of the Board, Kyowa Hakko Kirin Co., Ltd. (to present)</p> <div data-bbox="475 1267 1230 1335" style="border: 1px solid black; padding: 2px;">Reasons for appointing her as a candidate for Outside Director of the Board:</div> <p data-bbox="475 1346 1222 1751">Ms. Yoshiko Leibowitz was selected as a candidate for Director of the Board because the Company has judged she will contribute toward reinforcing the Company's governance function by supervising the execution of operations from an independent standpoint and reflecting in the Company's management a perspective of protecting the rights of the general shareholders. The Company expects that she will continuously utilize her long-standing experience in medical treatment both in Japan and overseas and her insight as a Chair of the Board of Trustees and President of an incorporated educational institution, in the management of the Company.</p>	0 shares

- (Notes)
1. No conflict of interests exists between the Company and each candidate.
 2. Kirin Holdings Company, Limited, which holds 50.10% of the Company's total number of issued shares, is the Company's parent. Then-called Kirin Business Expert Company, Limited (trade name was later changed to Kirin Group Office Company, Limited, and is currently Kirin Company, Limited) is a subsidiary of Kirin Holdings Company, Limited, which is the Company's parent.
 3. Of the candidates for Directors of the Board, Mr. Koichiro Nishikawa and Ms. Yoshiko

Leibowitz are candidates for outside directors.

4. Although Ms. Yoshiko Leibowitz has not been directly engaged in corporate management, the Company has judged from her experience as a Chair of the Board of Trustees and President at a university and other qualities that she can appropriately perform her duties as an outside director.
5. Mr. Koichiro Nishikawa and Ms. Yoshiko Leibowitz are currently outside directors of the Company. As of the conclusion of the Meeting, their terms of office as outside directors are as follows: two (2) years for Mr. Koichiro Nishikawa and one (1) year for Ms. Yoshiko Leibowitz.
6. At Hitachi Cable, Ltd., where Mr. Koichiro Nishikawa previously served as Senior Vice President and Executive Officer, the said company's affiliate, Sumiden Hitachi Cable Ltd., was served with payment orders for surcharge by the Japan Fair Trade Commission in November 2010 and July 2011 after the Commission recognized that it formed a cartel for wires and cables. Additionally, Hitachi Cable, Ltd. and its affiliate, J-Power Systems Corporation, were served with a statement of objections by the European Commission for acting as a cartel for high-voltage power cables in July 2011. Both measures were taken based on acts that were conducted before Mr. Koichiro Nishikawa became an executive officer at Hitachi Cable, Ltd. Mr. Koichiro Nishikawa took necessary measures to ensure compliance by Hitachi Cable, Ltd. with fair trade rules and regulations, including conducting internal audits and strengthening compliance rules.
7. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into agreements with Mr. Koichiro Nishikawa and Ms. Yoshiko Leibowitz to limit their liability for damages stipulated in Article 423, Paragraph 1 of the same Act. The said agreements limit their liability for damages to the higher of ¥5 million or the minimum liability amount stipulated in Article 425, Paragraph 1 of the same Act. If this proposal is approved as proposed at the Meeting, the Company intends to continue the same liability limitation agreements with Mr. Koichiro Nishikawa and Ms. Yoshiko Leibowitz, and on condition that Proposal No. 2 "Partial amendments to the Articles of Incorporation" is approved as proposed, the Company intends to newly enter into the same kind of agreement with Mr. Akihiro Ito, who is a non-executive director.
8. The Company has notified the Tokyo Stock Exchange of the statuses of Directors of the Board, Mr. Koichiro Nishikawa and Ms. Yoshiko Leibowitz as independent directors/auditors under Tokyo Stock Exchange regulations. The Company intends to notify the Tokyo Stock Exchange of their statuses again if their election as outside directors is approved as proposed.

Proposal No. 4: Election of one (1) Company Auditor

As of the conclusion of the Meeting, the term of office of Company Auditor Mr. Takahiro Kobayashi will expire. Accordingly, based on the report from the Nomination Consultative Committee, shareholders are requested to elect one (1) Company Auditor. The Board of Company Auditors has consented to this proposal. The candidate for the position of Company Auditor is as follows:

Name (Date of birth)	Career summary and position in the Company, and significant positions concurrently held at other organizations	Number of shares of the Company held by the candidate
<div data-bbox="188 622 384 658" style="border: 1px solid black; padding: 2px;">New Candidate</div> <p data-bbox="188 696 384 763">Akira Shimizu (Oct. 11, 1956)</p> <div data-bbox="188 797 384 875" style="border: 1px solid black; padding: 2px;">Candidate for Outside Company Auditor</div>	<p data-bbox="421 622 1166 1115"> Apr. 1982: Joined Kirin Brewery Company, Limited Jun. 2001: General Manager, Business Promotion Department of Agribio Division, Kirin Brewery Company, Limited Mar. 2008: Director, General Manager, Seedling Business Division, Kirin Agribio Co., Ltd. Apr. 2010: President & CEO, Japan Agribio Company, Limited Apr. 2013: Deputy Director in charge of Group internal audits, Kirin Holdings Company, Limited Apr. 2014: Senior Advisor, Responsible for Group Internal Audits, Kirin Holdings Company, Limited (to present) (Scheduled to retire on March 23, 2016) </p> <div data-bbox="421 1149 1166 1227" style="border: 1px solid black; padding: 2px;"> Reasons for appointing him as a candidate for Outside Company Auditor: </div> <p data-bbox="421 1227 1166 1570"> Mr. Akira Shimizu was selected as a candidate for Company Auditor because the Company has judged he will apply to its audit operations his abundant experience as a Group internal auditor of Kirin Holdings Company, Limited, which included working as an internal auditor as well as a company auditor of the Group's subsidiaries. The Company also expects that he will bring to its auditing his broad-ranging knowledge based on experience in such fields as research and development, overseas business and corporate management. </p>	<p data-bbox="1225 1077 1326 1115">0 shares</p>

- (Notes)
1. No conflict of interests exists between the Company and the candidate.
 2. Kirin Holdings Company, Limited, which holds 50.10% of the Company's total number of issued shares, is the Company's parent and therefore has a specific relationship with the Company.
Mr. Akira Shimizu has been an executive at Kirin Holdings Company, Limited for the past five years and he currently holds this position.
 3. Mr. Akira Shimizu is a candidate for an outside company auditor.
 4. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company intends to newly enter into an agreement with Mr. Akira Shimizu to limit his liability for damages stipulated in Article 423, Paragraph 1 of the same Act, if this proposal is approved as proposed at the Meeting. The said agreement limits his liability for damages to the higher of ¥5 million or the minimum liability amount stipulated in Article 425, Paragraph 1 of the same Act.

Proposal No. 5: Authorization for the Board of Directors to determine the offering terms (*boshu jiko*) of stock acquisition rights (*shinkabu yoyakuken*) as stock compensation-type stock options

The Company requests authorization for the Board of Directors of the Company to determine the offering terms of stock acquisition rights as stock compensation-type stock options for Directors of the Board (limited to executive directors; the same shall apply hereinafter in this proposal) and Executive Officers of the Company. The number of Directors of the Board eligible to receive the stock compensation-type stock options in this proposal shall be five (5) persons if Proposal No. 3 is approved as proposed.

1. Reason for the need to solicit subscribers for stock acquisition rights on particularly favorable terms

The objective of granting stock acquisition rights to Directors of the Board and Executive Officers is to raise their interest in the Company's stock price and financial results while also boosting their motivation and morale to enhance corporate value by strengthening the linkage between their remuneration and the Company's stock price and having them share the benefits and risks of stock price fluctuations with shareholders. Stock acquisition rights will be granted without contribution, in place of the retirement benefit system, as stock compensation-type stock options under which shares are granted upon exercise of stock acquisition rights at an exercise price of ¥1 per share.

2. Details and maximum number of stock acquisition rights for which offering terms may be determined based on the matters resolved at the Meeting

(1) Maximum number of stock acquisition rights for which offering terms may be determined based on this authorization:

The maximum number of the stock acquisition rights shall be 76 (the "**Maximum Number of Stock Acquisition Rights**"), with the terms specified in (3) below. (The number of the stock acquisition rights to be allocated to Directors of the Board is within the upper limit approved at the 83rd Ordinary General Meeting of Shareholders held on June 28, 2006, and the allocation thereof will be executed within one year of the date of the Meeting.)

The upper limit of the aggregate number of shares to be granted upon exercise of the stock acquisition rights shall be 76,000 shares of common stock of the Company. In the event that the number of shares to be granted is adjusted pursuant to (3) i) below, the upper limit of the aggregate number of shares to be granted upon exercise of stock acquisition rights shall be the number obtained by multiplying the Number of Granted Shares after Adjustment (as defined in (3) i) below) by the Maximum Number of Stock Acquisition Rights as provided above.

(2) Monetary payment is not required for the stock acquisition rights for which offering terms may be determined based on this authorization.

(3) Details of the stock acquisition rights for which offering terms may be determined based on this authorization

i) Class and number of shares to be granted upon exercise of stock acquisition rights

The class of shares to be granted upon exercise of the stock acquisition rights shall be shares of common stock. The number of shares to be granted upon exercise of each stock acquisition right (hereinafter the "**Number of Granted Shares**") shall be 1,000 shares.

Notwithstanding the foregoing, in the event that the Company carries out a stock split (including any allotment of common stock of the Company without contribution; the same shall apply hereinafter in relation to stock splits) or a consolidation of the common stock after the date of the resolution at the Meeting (hereinafter the "**Resolution Date**"),

the Number of Granted Shares shall be adjusted according to the following formula. Any fraction less than one share resulting from this adjustment shall be rounded down.

$$\text{Number of Granted Shares after Adjustment} = \frac{\text{Number of Granted Shares before adjustment}}{\text{Ratio of stock split or consolidation}} \times$$

In addition, the Number of Granted Shares shall be adjusted to an extent reasonable in the unavoidable event where an adjustment of the Number of Granted Shares is required after the Resolution Date.

ii) Amount of assets to be contributed upon exercise of stock acquisition rights

The amount of assets to be contributed upon exercise of each stock acquisition right shall be the amount obtained by multiplying ¥1, which is the exercise price per one (1) share to be granted upon exercise of stock acquisition rights, by the Number of Granted Shares.

iii) Exercise period of stock acquisition rights

The exercise period is from the day following the allocation date of the stock acquisition rights to March 24, 2036.

iv) Matters concerning the amount of increase in stated capital and legal capital surplus resulting from issuance of shares upon exercise of stock acquisition rights

- a) The amount of increase in stated capital resulting from the issuance of shares upon exercise of the stock acquisition rights shall be one-half of the maximum amount of increase in capital stock as calculated pursuant to Article 17, Paragraph 1 of the Corporate Accounting Rules. Any fraction of less than ¥1 shall be rounded up to the nearest yen.
- b) The amount of increase in legal capital surplus resulting from the issuance of shares upon exercise of stock acquisition rights shall be the maximum amount of increase in stated capital as provided in a) above less the amount of increase in stated capital as determined in a) above.

v) Restrictions on the acquisition of stock acquisition rights through transfer

The acquisition of the stock acquisition rights through transfer shall require approval by resolution of the Board of Directors of the Company.

vi) Any fraction of less than a whole share in the number of shares to be granted to the holder of the stock acquisition rights upon exercise of the stock acquisition rights shall be rounded down.

vii) Other terms of exercise of stock acquisition rights

- a) The holder of the stock acquisition rights may, within the period specified in item iii) above, exercise his or her stock acquisition rights within the ten (10) days following the date on which he or she ceases to be a Director of the Board or an Executive Officer of the Company (excluding cases where the individual continues to serve as an employee of the Company), or in cases where a person serving as an Executive Officer assumes office as a Director of the Board or Company Auditor of the Company, within the ten (10) days following the date of the said assumption of office.
- b) Partial exercise of one (1) stock acquisition right is not permitted.

End